

# Supplementary Materials for the First Half of the Year Ending March 31, 2018

November 8, 2017



# Key Results for First Half of the Fiscal Year Ending March 31, 2018

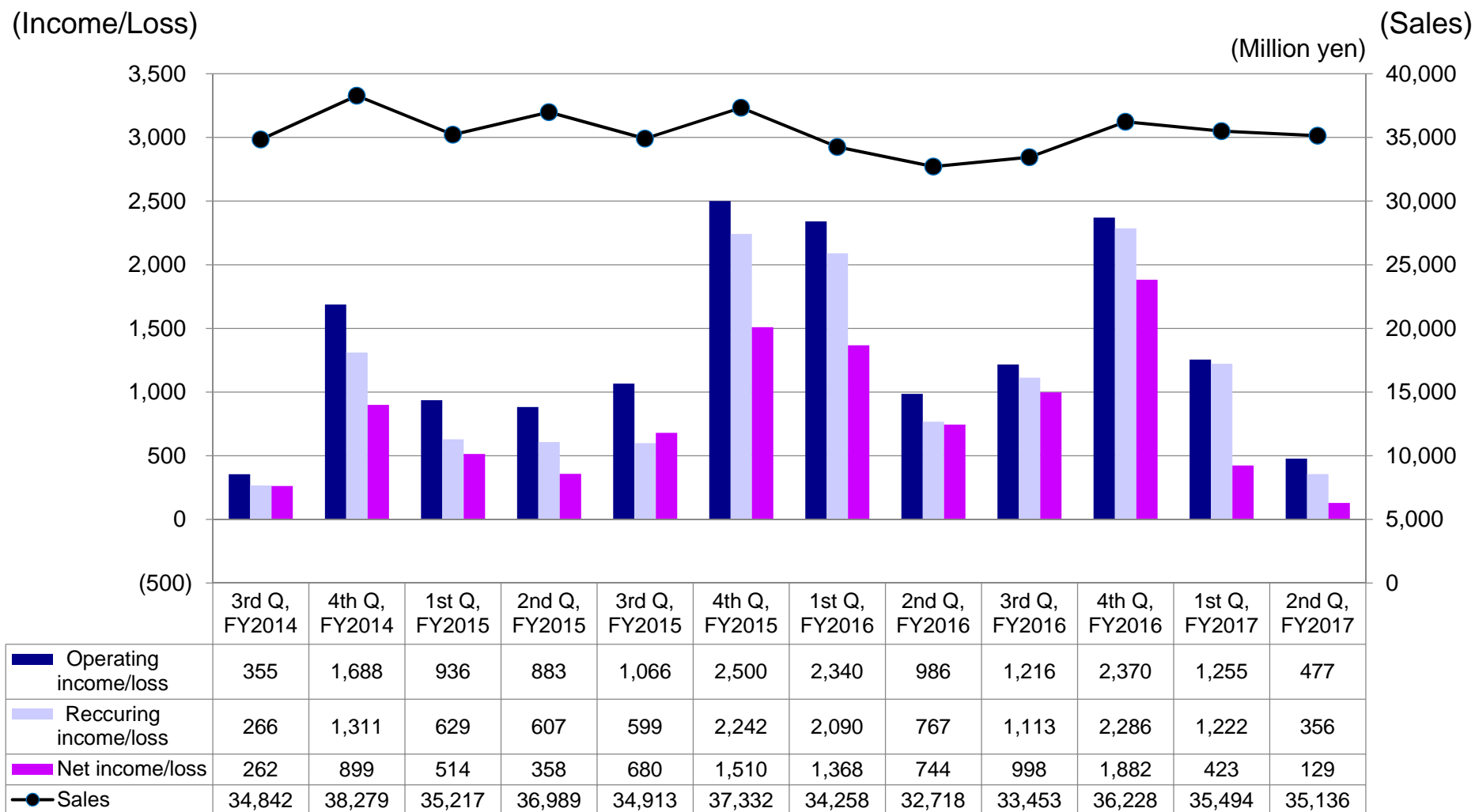
(Million yen)

|                  | First half of year ended March 2017 |        | First half of year ending March 2018 |        | Change  |         |
|------------------|-------------------------------------|--------|--------------------------------------|--------|---------|---------|
| Sales            | 66,976                              | 100.0% | 70,631                               | 100.0% | 3,654   | 5.5%    |
| Operating income | 3,326                               | 5.0%   | 1,732                                | 2.5%   | (1,593) | (47.9%) |
| Recurring income | 2,857                               | 4.3%   | 1,578                                | 2.2%   | (1,279) | (44.8%) |
| Net income       | 2,112                               | 3.2%   | 552                                  | 0.8%   | (1,560) | (73.8%) |
| EPS (yen)        | 81.75                               |        | 21.37                                |        |         |         |

## Overview

- Sales: Sales grew thanks largely to an increase in orders received and an improvement in the state of the aluminum market.
- Operating income: Decreased primarily as a result of a slow increase in productivity at the U.S. and Tochigi plants and the revision of product prices.
- Recurring income: Decreased due to reduced operating income.
- Net income: Decreased due to reduced recurring income and an increase in tax payments caused by fluctuations in the Mexican peso exchange rate.
- EPS: Decreased 60.38 yen per share due to the decrease in net income.

# Overview of the (Quarterly) Consolidated Results



# Die Casting Business

(Million yen)

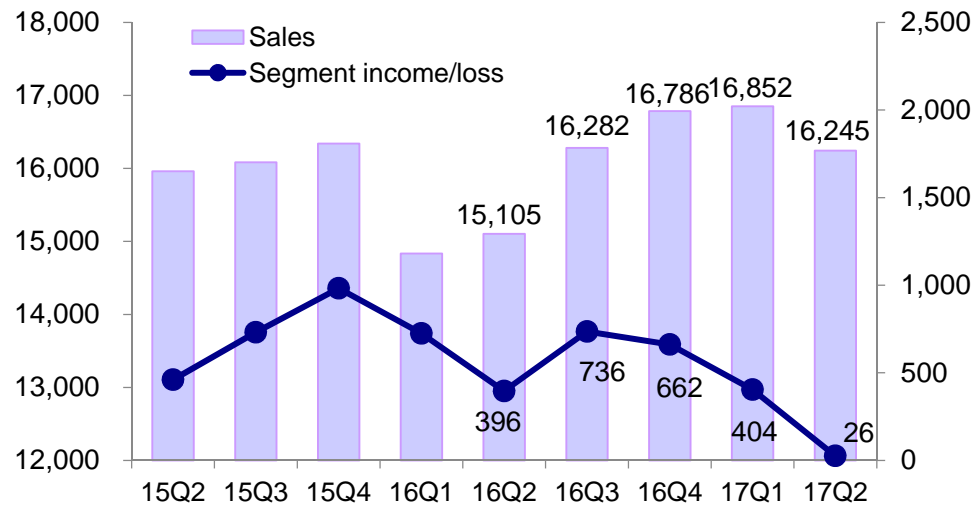
|                  |                        | First half of year<br>ended March 2017 |        | First half of year<br>ending March 2018 |        | Change  |         |
|------------------|------------------------|--|--------|---|--------|---------|---------|
| Japan            | Sales                  | 29,940                                 | 100.0% | 33,097                                  | 100.0% | 3,156   | 10.5%   |
|                  | Segment<br>income/loss | 1,121                                  | 3.7%   | 430                                     | 1.3%   | (691)   | (61.6%) |
| North<br>America | Sales                  | 21,091                                 | 100.0% | 20,470                                  | 100.0% | (620)   | (2.9%)  |
|                  | Segment<br>income/loss | 1,363                                  | 6.5%   | 214                                     | 1.0%   | (1,149) | (84.3%) |
| Asia             | Sales                  | 12,663                                 | 100.0% | 13,920                                  | 100.0% | 1,256   | 9.9%    |
|                  | Segment<br>income/loss | 577                                    | 4.6%   | 828                                     | 5.9%   | 250     | 43.4%   |

- ✓ The overseas sales ratio in the Die Casting Business:  
 Q2 of fiscal year ended March 2017: 53.0%  
 ⇒ Q2 of fiscal year ending March 2018: 51.0%

\* An explanation of the factors behind changes in segment results begins on the next page.

# Die Casting in Japan

Changes in sales and segment income  
in Die Casting Business in Japan (Million yen)



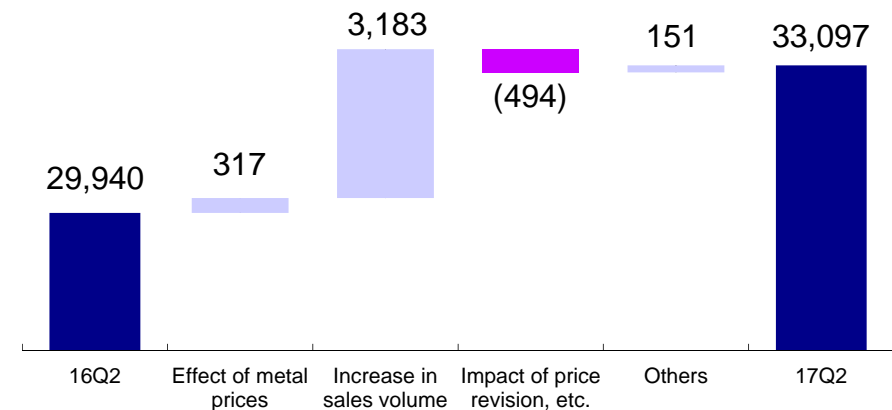
**Sales: Increased ¥3,150 million (up 10.5% year on year)**

- Orders received increased based on strong exports of key customers.

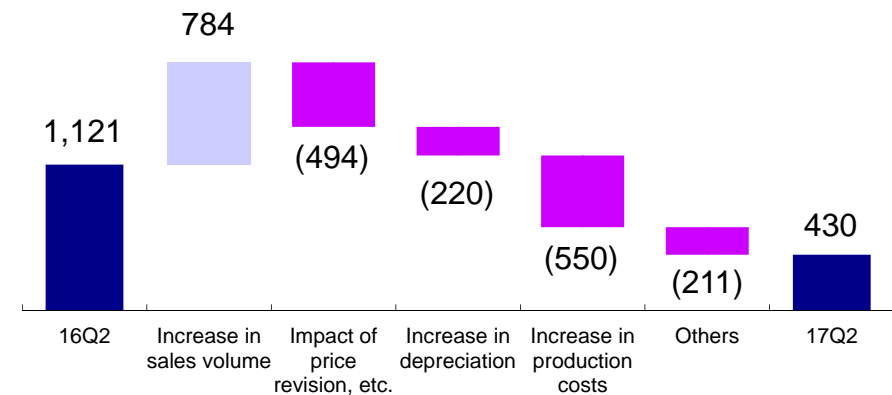
**Segment income: Decreased ¥690 million  
(down 61.6% year on year)**

- Profit decreased due partly to the impact of revised prices despite a rise in sales volume.
- Labor and fuel expenses increased.
- The reduction of manufacturing costs at the Tochigi plant was delayed.

Factors of change in die casting sales (Million yen)

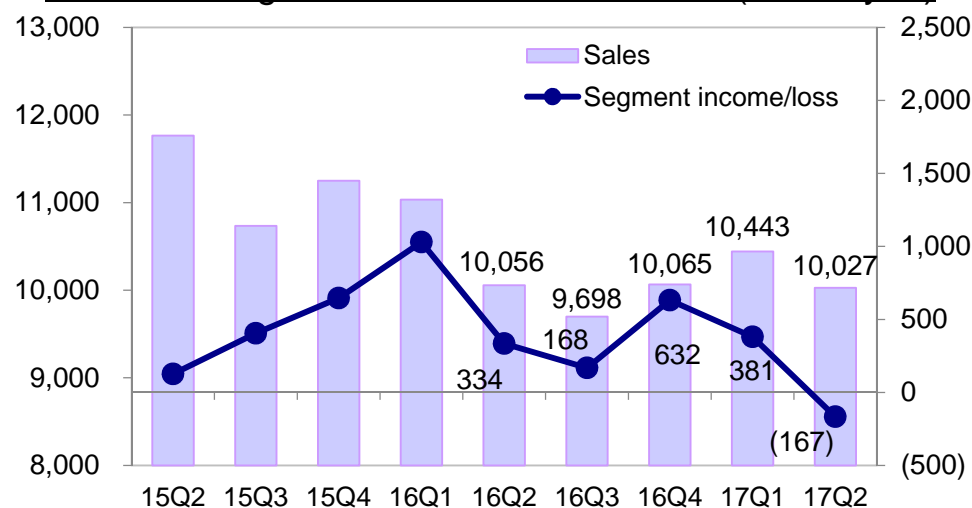


Factors of change in segment income (Million yen)



# Die Casting in North America

Changes in sales and segment income  
in Die Casting Business in North America (Million yen)



**Sales:** Decreased ¥620 million (down 2.9% year on year)

- Orders received decreased in the U.S. in response to downsizing.
- Orders received generally increased in Mexico.

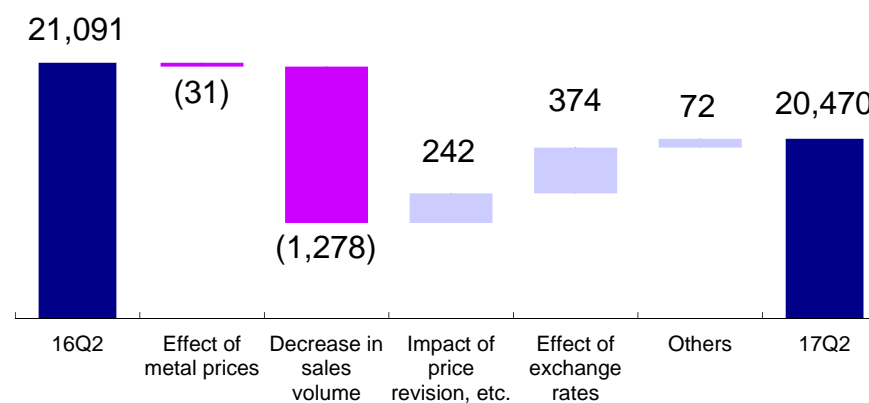
**Segment income:** Decreased ¥1,140 million  
(down 84.3% year on year)

- U.S.: Decreased due to a decline in sales and a slow increase in productivity
- Mexico: an increase in profit from sales growth was offset by higher fuel expenses, etc. (PTU has been recognized since the first quarter due to changes in accounting standards)

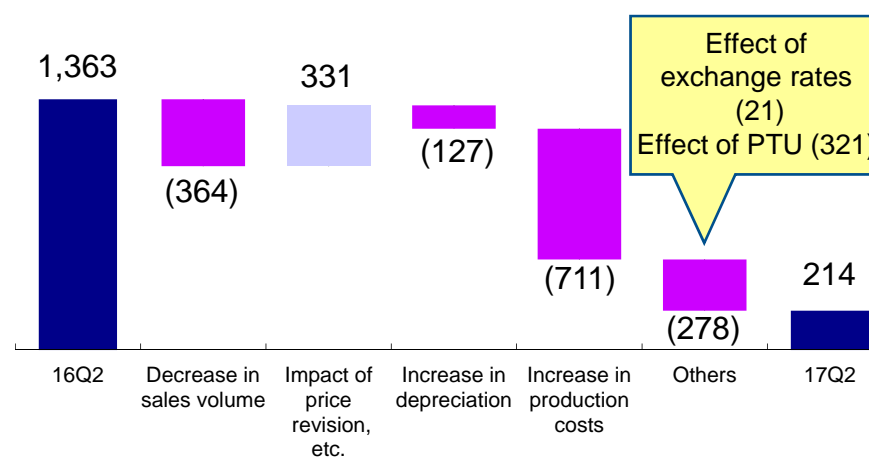
Fiscal year end: U.S.: March; Mexico: December

Exchange rate ('16Q2 ⇨ '17Q2): U.S. dollar: ¥106.73 ⇨ ¥111.42; Mexican peso: ¥113.05 ⇨ ¥112.75

Factors of change in die casting sales (Million yen)

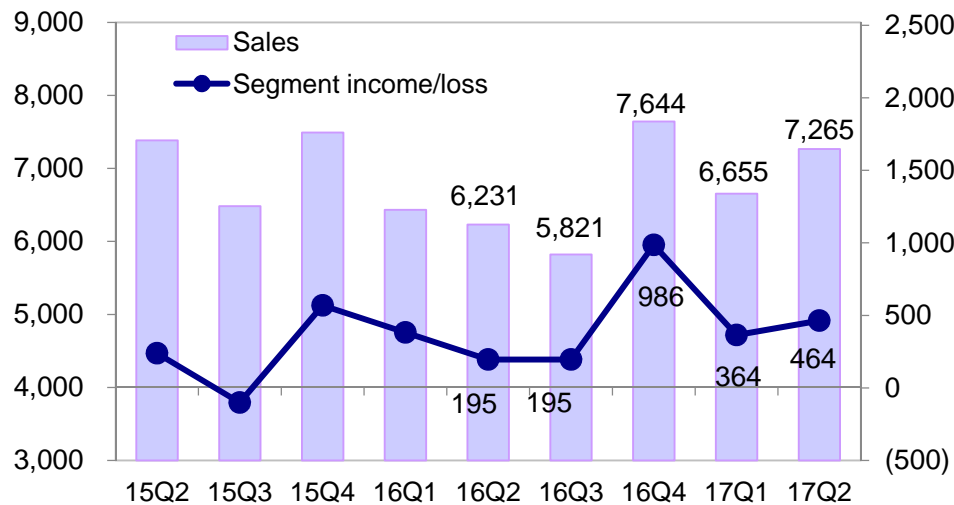


Factors of change in segment income (Million yen)



# Die Casting in Asia

Changes in sales and segment income  
in Die Casting Business in Asia (Million yen)



**Sales: Increased ¥1,250 million (up 9.9% year on year)**

- Orders received in China rose thanks to increased production of SUVs.
- Sales in India also grew based on a higher volume of orders received.

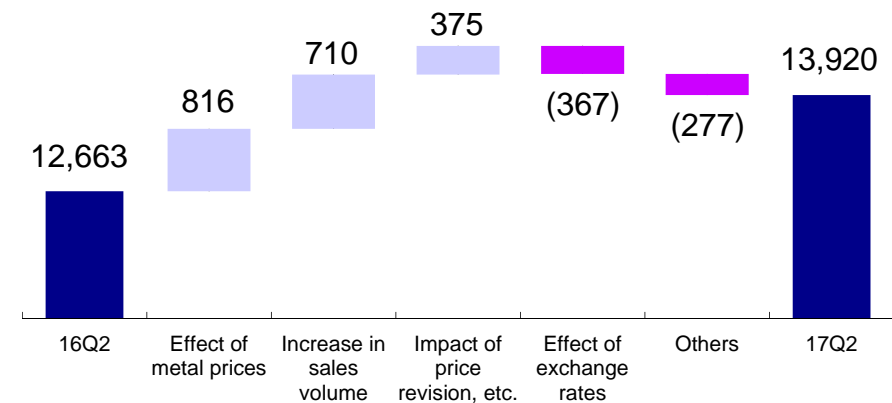
**Segment income: Increased ¥250 million (up 43.5% year on year)**

- Growth in orders received in China and India resulted in increased profit.
- Higher productivity in China also facilitated profit growth.

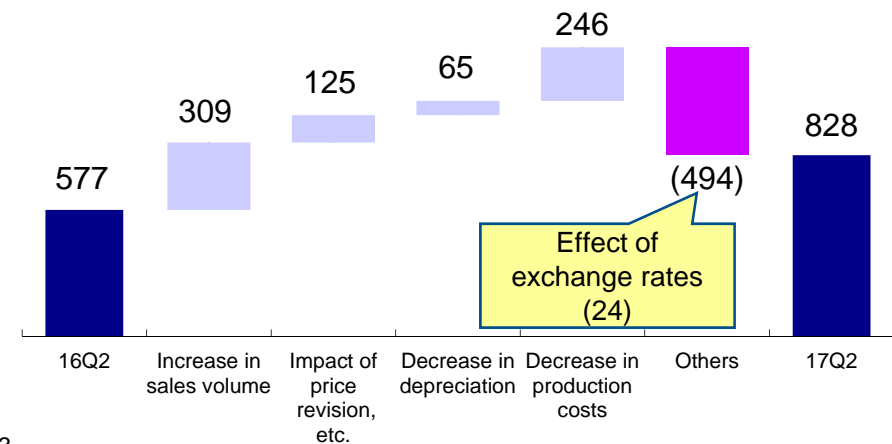
Fiscal year end: China: December; India: March

Exchange rate (16Q2 ⇒ 17Q2): Chinese yuan: ¥17.22 ⇒ ¥16.42; Indian rupee: ₹1.60 ⇒ ₹1.73

Factors of change in die casting sales (Million yen)



Factors of change in segment income (Million yen)



# Aluminum Business and Proprietary Products Business

(Million yen)

|  |                        | First half of year<br>ended March 2017 |        | First half of year<br>ending March 2018 |        | Change |         |
|--|------------------------|--|--------|---|--------|--------|---------|
| <b>Aluminum<br/>Business</b>                 | Sales                  | 2,143                                  | 100.0% | 2,182                                   | 100.0% | 39     | 1.8%    |
|  | Segment<br>income/loss | 148                                    | 6.9%   | 115                                     | 5.3%   | (32)   | (21.8%) |
| <b>Proprietary<br/>Products<br/>Business</b> | Sales                  | 1,138                                  | 100.0% | 961                                     | 100.0% | (177)  | (15.6%) |
|  | Segment<br>income/loss | 68                                     | 6.0%   | 143                                     | 14.9%  | 75     | 109.3%  |

## Aluminum Business

- Sales: Increased thanks to changes in the state of the aluminum market (up 1.8% year on year).
- Segment income: Decreased due primarily to rising fuel expenses (down 22.3% year on year).

## Proprietary Products Business

- Sales: Orders for projects for clean rooms and computer rooms decreased, resulting in decreased sales (down 15.6% year on year).
- Segment income: Rose chiefly as a result of cost reduction efforts (up 110.2% year on year).



# Forecast for FY2017

(Million yen)

|                  | FY2016  |      | FY2017<br>Initial plan<br>(May 11) |      | FY2017<br>Revised plan<br>(October 25) |      | Change compared to<br>initial plan |         |
|------------------|---------|------|------------------------------------|------|--|------|------------------------------------|---------|
| Sales            | 136,657 | 100% | 142,000                            | 100% | 144,700                                | 100% | 2,700                              | 1.9%    |
| Operating income | 6,912   | 5.1% | 7,000                              | 4.9% | 4,100                                  | 2.8% | (2,900)                            | (41.4%) |
| Recurring income | 6,256   | 4.6% | 6,400                              | 4.5% | 3,850                                  | 2.7% | (2,550)                            | (39.8%) |
| Net income       | 4,992   | 3.7% | 4,400                              | 3.1% | 2,050                                  | 1.4% | (2,350)                            | (53.4%) |
| EPS (yen)        | 193.15  |      | 170.24                             |      | 79.26                                  |      | —                                  |         |

Exchange rates assumed in the initial plan (May 11): ¥110/USD; ¥16.0/RMB; ¥1.6/IDR

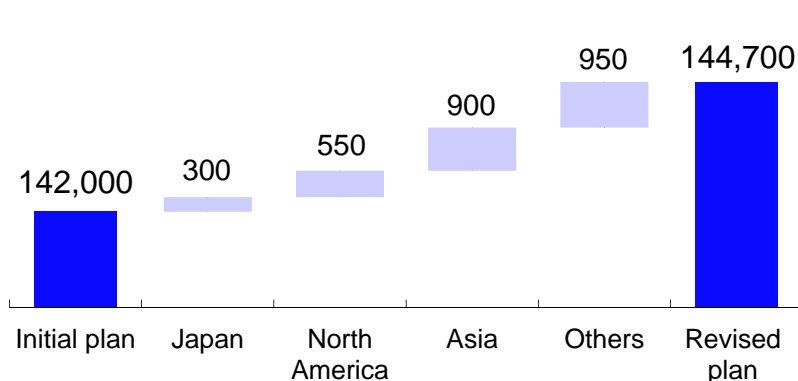
Exchange rates assumed in the revised plan (November 8): ¥110/USD; ¥16.0/RMB; ¥1.6/IDR

# FY2017 Financial Forecasts for Die Casting Business

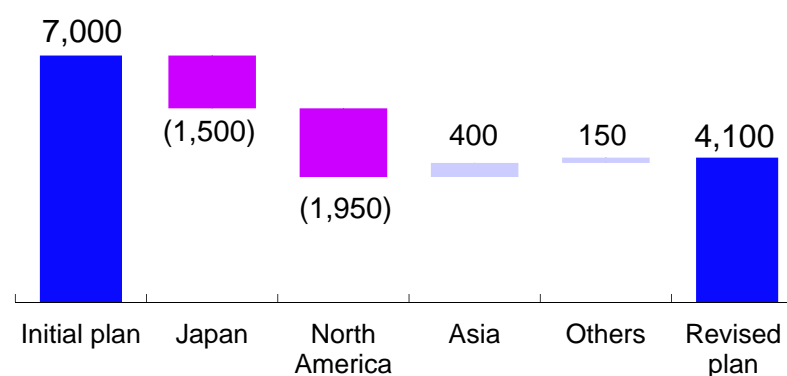
(Million yen)

|               |                     | FY2017 Initial plan<br>(May 11) |        | FY2017 Revised plan<br>(October 25) |        | Change compared to<br>initial plan |         |
|---------------|---------------------|---------------------------------|--------|-------------------------------------|--------|------------------------------------|---------|
| Japan         | Sales               | 66,900                          | 100.0% | 67,200                              | 100.0% | 300                                | 0.4%    |
|               | Segment income/loss | 2,900                           | 4.3%   | 1,400                               | 2.1%   | (1,500)                            | (51.7%) |
| North America | Sales               | 39,900                          | 100.0% | 40,450                              | 100.0% | 550                                | 1.4%    |
|               | Segment income/loss | 2,250                           | 5.6%   | 300                                 | 0.7%   | (1,950)                            | (86.7%) |
| Asia          | Sales               | 28,400                          | 100.0% | 29,300                              | 100.0% | 900                                | 3.2%    |
|               | Segment income/loss | 1,500                           | 5.3%   | 1,900                               | 6.5%   | 400                                | 26.7%   |

Sales: changes from initial plan (million yen)



Segment income: changes from initial plan (million yen)





# Casting Our Eyes on the Future

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This document and what has been said in the results briefing include forecasts that the Company has made based on data available when the document was prepared. Actual results could be different from the forecasts for a range of reasons.